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RETAIL PRICES AND WAGE RATES, DECEMBER QUARTER 1968

CONSUMER PRICE INDEX

Introduction

The Consumer Price Index measures quarterly, for each State Capital, the variations in prices of commodities and services as affecting a high proportion of the expenditure of wage-earner households. Commodities and services included in the index are food, clothing, drapery, home ownership, rent of privately owned and government owned houses, fuel, light, furniture, household appliances and supplies, fares, motoring, tobacco, cigarettes, beer, cinema, radio and television licences, newspapers, postal and telephone services, hairdressing, dry cleaning, and various other items.

The various commodities and services have been combined into groups, and group indexes are available for Food, Clothing and Drapery, Housing, Household Supplies and Equipment, and Miscellaneous.

The indexes measure price movements in each city individually. They do not provide a comparison of the retail price level in any city with the retail price level of any other city. The base of the index for each city and for the weighted average, six State Capitals, is year 1952-53 = 100.0. Group indexes also have separate bases for each group.

DECEMBER QUARTER 1968

There was an increase of 0.6 per cent in the Brisbane Consumer Price Index from September quarter 1968 to December quarter 1968, the index number for All Groups rising from 150.7 to 151.6. For the twelve months ended December 1968 the All Groups increase was 2.2 per cent.

From September quarter 1968 to December quarter 1968 the Consumer Price Index increased in all State Capitals. Percentage increases were as follows: Sydney, 1.4; Adelaide, 1.0; Melbourne, 0.9; Hobart, 0.7; Brisbane and Perth, 0.6.

Since the base year, 1952-53, the rise in the retail price level has been greatest in Brisbane and smallest in Adelaide. Percentage increases from 1952-53 to December quarter 1968 were as follows: Brisbane, 51.6; Hobart, 49.4; Melbourne, 49.2; Perth, 44.7; Sydney, 44.3; and Adelaide, 44.0. The rise in the weighted average for the six State Capitals was 46.7 per cent. (It should be noted that these figures merely indicate rates of price rises in separate cities and do not represent in any way the relativities of actual price levels in the different cities.)

A brief outline of the movements of the various group indexes for Brisbane between September quarter 1968 and December quarter 1968 is shown below.

Food Group

The Food Group index increased from 159.4 to 159.7, a rise during the quarter of 0.2 per cent. While price decreases were recorded for fresh meat, these were offset by price increases for bread and potatoes. A decrease was recorded in the price of onions.

Clothing and Drapery Group

Increases in the prices of men's clothing, together with increases in the prices of footwear, were mainly responsible for a rise of 0.5 per cent in the Clothing and Drapery Group. The index increased from 128.1 to 128.7.

Housing Group

The Housing Group index increased by 0.6 per cent from 176.7 to 177.8.

Household Supplies and Equipment Group

This group index rose from 120.6 to 121.4, an increase of 0.7 per cent.

Miscellaneous Group

The Miscellaneous Group index rose from 163.5 to 165.3, an increase of 1.1 per cent. The rise was chiefly attributable to increases in the price of radio and television licences and motoring charges.

COMMONWEALTH AND STATE WAGE RATES

The Commonwealth and State wage rates are reviewed by the appropriate industrial authorities from time to time, and prevailing basic wage rates (which used to be determined in part by price movements) were shown in issues of this Bulletin up to March quarter 1967. In a decision given on 5 June 1967, the Commonwealth Conciliation and Arbitration Commission eliminated the separate concepts of basic wage and margins from its awards and removed any remaining link between the index numbers and Commonwealth wage rates. The Commission added \$1 per week to all wage rates for adult males and females prescribed under existing awards, the increases to operate from the first pay period commencing on or after 1 July 1967.

Following the Commonwealth judgment, the industrial authorities of the various States granted wage increases to employees under their respective awards. With the exception of Western Australia (where wage rates for adult males under certain awards were increased by \$1 per week and wage rates for adult males and females not in receipt of the minimum wage were increased by 60 cents per week) the increase applied was \$1 per week for adult males and adult females. In Queensland, the increase was applied by way of a "general ruling" which was effective from 3 July 1967.

As the outcome of its annual review in connection with the National Wage Case, 1968, the Commonwealth Conciliation and Arbitration Commission granted an increase of \$1.35 per week to all adult (male and female) wage rates prescribed under its awards. The increase applied as from the first pay period commencing on or after 25 October 1968.

In a judgment given on 25 October 1968, the Queensland Industrial Conciliation and Arbitration Commission decided that the abovementioned increase granted to employees working under Commonwealth Awards should flow to employees working under Queensland Awards. Accordingly it increased the Queensland basic wage by \$1.35 per week for adult employees (male and female) as from 28 October 1968. The Commission also decided that the increase of \$1 per week granted as from 3 July 1967 should be absorbed in the basic wage so that wage rates expressed in its awards and industrial agreements could again be regarded as including two main elements, namely, basic wage and margin. As from 28 October 1968 the Queensland basic wage (South-Eastern Division) therefore became \$35.55 for adult males and \$27.25 for adult females.

Adult wage rates prescribed under State awards or Wages Board determinations in all other States were also increased by \$1.35 per week subsequent to the Commonwealth increase.

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Table 1 - Consumer Price Index: Total and Group Indexes, Brisbane
(Year 1952-53 = 100.0)

Period	Food	Clothing and Drapery	Housing	Household Supplies and Equipment	Miscell- aneous	All Groups
<u>Year</u>						
1958-59 ..	119.8	109.4	128.4	109.0	123.6	118.2
1959-60 ..	124.2	111.9	132.6	110.6	125.6	121.2
1960-61 ..	130.4	115.1	137.6	111.3	129.5	125.4
1961-62 ..	130.8	116.7	140.5	113.0	133.3	127.3
1962-63 ..	129.8	117.0	144.0	112.8	134.4	127.7
1963-64 ..	133.1	117.8	145.2	111.7	135.2	129.0
1964-65 ..	141.5	119.5	149.0	112.7	140.9	133.9
1965-66 ..	150.9	121.0	158.3	115.0	148.7	140.4
1966-67 ..	153.5	123.7	162.8	116.5	155.8	144.0
1967-68 ..	159.1	126.7	172.2	117.9	160.8	148.8
<u>Quarter</u>						
1967: December	157.6	126.6	171.8	117.7	161.0	148.3
1968: March ..	160.5	126.9	172.4	117.8	161.1	149.4
June ..	159.2	127.5	173.4	118.5	161.5	149.4
September	159.4	128.1	176.7	120.6	163.5	150.7
December	159.7	128.7	177.8	121.4	165.3	151.6
Percentage Increase or Decrease (-) on Previous Quarter						
<u>Quarter</u>						
1967: December	-0.9	0.8	0.5	0.1	1.0	0.2
1968: March ..	1.8	0.2	0.4	0.1	0.1	0.7
June ..	0.8	0.5	0.6	0.6	0.2	..
September	0.1	0.5	1.9	1.8	1.2	0.9
December	0.2	0.5	0.6	0.7	1.1	0.6

Table 2 - Consumer Price Index: State Capital Cities
(Year 1952-53 = 100.0 for Each City and for Six State Capitals)

As the base for each city is 100.0, the indexes in the table below do not indicate relative price levels as between cities, but they may be used to compare relative price movements in the various cities.

Period	Sydney	Melbourne	Brisbane	Adelaide	Perth	Hobart	Weighted Average Six State Capitals
<u>Year</u>							
1958-59 ..	115.3	116.6	118.2	114.5	114.7	118.7	116.0
1959-60 ..	117.8	120.0	121.2	118.0	116.9	120.8	118.9
1960-61 ..	122.1	125.9	125.4	122.9	121.2	127.5	123.8
1961-62 ..	122.6	126.3	127.3	122.5	121.6	128.1	124.3
1962-63 ..	123.2	126.2	127.7	122.1	122.2	128.0	124.5
1963-64 ..	124.5	127.1	129.0	123.5	123.8	129.4	125.7
1964-65 ..	128.8	132.2	133.9	128.6	127.6	133.6	130.4
1965-66 ..	133.1	137.1	140.4	132.7	132.5	138.3	135.2
1966-67 ..	136.3	140.7	144.0	136.9	137.9	141.2	138.8
1967-68 ..	140.6	145.9	148.8	140.8	141.9	147.7	143.4
<u>Quarter</u>							
1967: December	140.3	145.3	148.3	139.7	141.3	148.2	142.9
1968: March ..	140.7	146.0	149.4	140.5	142.2	147.6	143.5
June ..	141.7	147.4	149.4	142.6	143.4	147.7	144.6
September	142.3	147.9	150.7	142.6	143.8	148.3	145.2
December	144.3	149.2	151.6	144.0	144.7	149.4	146.7

Table 3 - Average Retail Prices: Food, Brisbane

Item	Unit	Year	Month		
		1968	Oct. 1968	Nov. 1968	Dec. 1968
		Cents	Cents	Cents	Cents
<u>Cereal Products</u>					
Bread, white (unwrapped and delivered)	2 lb loaf	18.1	18.0	18.0	19.0
Flour, plain ..	2 lb pkt	14.3	14.6	14.3	14.5
Flour, self-raising ..	2 lb pkt	17.1	17.4	17.3	17.3
Biscuits, wheatmeal ..	$\frac{1}{2}$ lb pkt	16.8	16.8	16.8	17.7
Biscuits, milk arrowroot ..	$\frac{1}{2}$ lb pkt	17.6	18.0	18.0	17.9
Biscuits, dry ..	$\frac{1}{2}$ lb pkt	17.7	18.2	18.2	18.0
Oats, rolled ..	2 lb pkt	41.4	42.8	42.4	43.2
Rice ..	1 lb pkt	14.0	14.1	14.4	14.4
<u>Dairy Produce</u>					
Milk, fresh (bottled, delivered) ..	1 quart	18.0	18.0	18.0	18.0
Milk, powdered ..	12 oz tin	39.2	38.1	39.7	40.2
Milk, condensed ..	14 oz tin	22.3	22.4	22.3	22.6
Cheese, cheddar, matured ..	8 oz pkt	32.7	32.8	32.8	32.8
Cheese, cheddar, processed ..	8 oz pkt	24.3	24.2	23.1	24.9
Butter ..	1 lb	50.6	50.2	50.6	51.0
Eggs (24 oz in carton) ..	dozen	58.4	56.6	58.6	63.5

Table 3 - Average Retail Prices: Food, Brisbane (continued)

Item	Unit	Year	Month		
		1968	Oct. 1968	Nov. 1968	Dec. 1968
<u>Fruit and Vegetables</u>		Cents	Cents	Cents	Cents
Peaches, canned ..	29 oz tin	31.1	31.2	31.6	31.5
Pears, canned ..	29 oz tin	31.4	31.7	31.6	32.2
Sultanas ..	1 lb pkt	36.0	36.1	36.2	36.5
Peas, green, canned ..	15½ oz tin	20.7	20.7	20.0	20.8
Peas, frozen ..	10 oz pkt	26.6	26.8	26.8	26.1
Potatoes ..	7 lb	51.7	58.0	47.4	57.9
Onions ..	1 lb	11.1	7.8	6.0	6.0
<u>Beverages</u>					
Tea ..	½ lb pkt	30.8	30.8	30.8	30.8
Coffee, instant ..	2 oz jar	43.6	43.2	44.8	43.5
Cocoa ..	8 oz pkt	32.0	32.2	32.1	32.1
<u>Other Food (excluding meat)</u>					
Sugar ..	4 lb pkt	42.7	42.8	43.0	42.6
Jam, plum ..	1½ lb tin	24.5	25.0	24.9	24.8
Jam, marmalade ..	1½ lb tin	27.4	26.6	27.7	27.1
Honey, liquid ..	16 oz jar	26.7	26.4	26.6	26.9
Peanut Paste ..	4 oz jar	18.6	18.7	18.7	18.5
Beans, baked, canned ..	16 oz tin	16.0	16.3	16.2	15.1
Spaghetti, canned ..	16 oz tin	15.9	15.9	15.8	15.1
Margarine, table ..	1 lb	38.8	38.4	39.3	39.6
Sauce, tomato ..	10 oz bottle	22.4	22.6	22.6	21.8
Pickles, mustard ..	10 oz jar	24.3	23.7	24.2	24.8
Sardines, Norwegian ..	3¼ oz tin	16.3	16.9	16.9	16.8
Salmon, Australian, canned ..	16 oz tin	42.8	42.8	42.8	42.3
Soup, tomato ..	16 oz tin	18.4	18.3	18.3	18.3
			Quarter Ended December 1968		
<u>Meat</u>					
Beef, sirloin, roast ..	1 lb	59.6		59.8	
" , rib, roast (without bone)	1 lb	51.6		51.8	
" , steak, rump ..	1 lb	78.3		78.9	
" , steak, chuck ..	1 lb	48.4		48.1	
" , steak, blade ..	1 lb	58.1		58.2	
" , sausages ..	1 lb	26.6		26.1	
" , silverside, corned ..	1 lb	55.3		55.7	
" , brisket, corned ..	1 lb	41.2		41.3	
Mutton, leg ..	1 lb	34.2		33.1	
" , shoulder ..	1 lb	20.9		20.4	
" , chops, loin ..	1 lb	33.1		32.0	
" , chops, leg ..	1 lb	34.2		33.7	
Lamb, leg ..	1 lb	49.3		47.1	
" , shoulder ..	1 lb	30.4		28.5	
" , chops, loin ..	1 lb	52.7		49.6	
" , chops, leg ..	1 lb	52.6		49.6	
Pork, leg ..	1 lb	61.7		60.6	
" , loin ..	1 lb	60.7		58.8	
" , chops ..	1 lb	61.0		58.9	
Bacon, rashers, pre-packed ..	½ lb	51.1		48.9	

